SOUTHEASTERN WATER ASSOCIATION, INC. 147 E. SOMERSET CHURCH RD. SOMERSET, KY 42503 606-678-5501

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JAN 3 1 2005

Public Service Commisssion 211 Sower Blvd. P.O. Box 615 Frankfort, KY 40602-0615 502-564-3940 January 27, 2005

PUBLIC SERVICE COMMISSION

RE: Case No. 2005-00035 Attn: Beth O'Donnell

In response to your letter dated January 25, 2005:

Mr. Henry J. Lewis has contacted our office numerous times about this matter. He insists that he has no leak and does not know where the water went. We read the meter on 2 different calls. This matter was taken before our monthly board meetings December and January. The board agreed to follow the Public Service Commissions guidelines that all water passing thru the meter must be charged for unless an explanation that justifies an adjustment in accordance with the PSC rules and regulations. When this matter became unsolvable between SWA and the customer, we suggested he call the PSC and we would follow all guidelines in this matter. This was also agreed upon by our board of directors. We have spoken with Ginny Smith several times and we are waiting on your ruling. Also, our rules and regulations were explained to Mr. Lewis several times, and he was told there would be no penalties added to this bill until it is resolved. Our billing system automatically applies penalties that will be adjusted and a payment agreement is also available.

Sincerely,

Maris Vaughn

Manager

SOUTHEASTERN WATER ASSN 147 E SOMERSET CH RD SOMERSET KY 42503





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